

COMPANIES
HOUSE
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ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

FOR

THE TINTOMETER LIMITED

thp

thehopkinspartnership

CHARTERED ACCOUNTANTS

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COMPANIES HOUSE

THE TINTOMETER LIMITED

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for the year ended 31 December 2010**

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THE TINTOMETER LIMITED
COMPANY INFORMATION
for the year ended 31 December 2010

DIRECTORS:

C P Voss
M R Nowak
C A H M Counsell

SECRETARY:

G J Belbin

REGISTERED OFFICE:

Lovibond House
Solar Way
Solstice Park
Amesbury
SP4 7SZ

REGISTERED NUMBER:

45024 (England and Wales)

AUDITORS:

The Hopkins Partnership
Statutory Auditors
Chartered Accountants
1 South Newton Trading Estate
Warminster Road
South Newton
Salisbury
SP2 0QW

THE TINTOMETER LIMITED
REPORT OF THE DIRECTORS
for the year ended 31 December 2010

The directors present their report with the accounts of the company for the year ended 31 December 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the production of the Lovibond® Colour Scale and the manufacture and sale of instruments and ancillary items related to colour measurement and water analysis

REVIEW OF BUSINESS

The company has continued to consolidate its trading activities during the year under review, and to concentrate on the global marketing of its products

The directors and managers continue to review operations, with an emphasis on improved service for customers, along with cost control and improvements in efficiency. This has assisted the company to contain cost increases, when input price inflation has increased considerably due to the twin effects of higher oil prices and exchange rate changes

The company is continuing to introduce new products to the market place which complement its existing product range, and reflect the result of the company's research and development programme. During the year, the water testing side of the business was further strengthened by the acquisition of customers, products and technology focused on industrial water testing using liquid reagents. The growth of the company is dependent on it continuing to meet the requirements of its customers, evolving its product lines to take account of technological advancements where appropriate, and being competitive in the market place. The directors outlook for the worldwide water analysis and colour measurement markets indicate a good possibility for further growth in coming years

Regular management accounts and reports are produced for review by the board of directors, which are used by the board of directors to make decisions and assess business performance

The key financial performance measures, which are monitored by the board of directors are

- Turnover as a measure of growth
- Profit from operations as a measure of performance
- Gross profit percentage as a measure of profitability

The results for the year and the financial position of the company are set out in the financial statements on pages six to twenty five. After operating costs have been met from revenues, a profit before taxation of £889,782 was recorded. The net assets of the company have increased to £2,474,186 at the year end

PRINCIPAL RISKS AND UNCERTAINTIES

The directors are responsible for the company's systems of internal control, safeguarding of assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities, and have in place a framework of controls to ensure ongoing financial performance is monitored and risks identified as early as practically possible

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2010

RESEARCH AND DEVELOPMENT

Expenditure incurred by the company on research and development of new products is written off as incurred. All research and development expenditure is regarded as part of the company's continuing operations and is required to maintain its position in the market place

EMPLOYEE INVOLVEMENT

All employees are encouraged to take an active interest in all aspects of the performance of the business. There is extensive consultation with employees on matters affecting their employment and working environment

EMPLOYMENT OF DISABLED PEOPLE

The company employs three people who are registered disabled. The company welcomes applications from disabled people and offers modern working conditions in accessible premises. The company also provides training based on job requirements and any specialist equipment to enable disabled people to play a full part in the success of the business

THE TINTOMETER LIMITED
REPORT OF THE DIRECTORS
for the year ended 31 December 2010

Continued from page 2

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made charitable donations of £1,375 (2009 - £633)

FIXED ASSETS

Details of movements of fixed assets are given in notes to the financial statements

The directors consider that the market value of freehold land and buildings is in excess of the amount shown in the financial statements but, as these assets are used in the company's business and no disposals are envisaged, the excess is not quantified

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2010 to the date of this report

C P Voss
M R Nowak
C A H M Counsell

FINANCIAL RISK MANAGEMENT

The company's activities expose it to a number of financial risks including credit risk, liquidity risk and cash flow risk. The directors have policies in place to ensure such risks are managed

Credit risk

The principal financial assets are cash at bank and in hand, and trade and other debtors. The credit risk is primarily attributable to its trade debtors. However, this is managed by monitoring the aggregate amount and duration of exposure to any one debtor depending on their history. The amounts included in the balance sheet are net of provisions for any doubtful debts. The company has no significant concentration of credit risk, with exposure spread over a large number of customers

Liquidity risk

The company retains sufficient cash and facilities to ensure that funds available are adequate for its future operational needs

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Continued on page 4

THE TINTOMETER LIMITED
REPORT OF THE DIRECTORS
for the year ended 31 December 2010

Continued from page 3

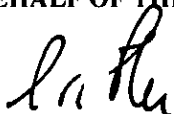
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, The Hopkins Partnership, may be proposed for re-appointment at the forthcoming Annual General Meeting. Prior to the Annual General Meeting, an assessment of the Company's audit needs will be carried out, in view of the increasing international scope of operations

ON BEHALF OF THE BOARD:



C P Voss - Director

Date

24th May 2011

THE TINTOMETER LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO
THE TINTOMETER LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages six to twenty five, together with the full financial statements of The Tintometer Limited for the year ended 31 December 2010 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

N L Hopkins

Nicholas Hopkins ACA (Senior Statutory Auditor)
for and on behalf of The Hopkins Partnership
Statutory Auditors
Chartered Accountants
1 South Newton Trading Estate
Warminster Road
South Newton
Salisbury
SP2 0QW

Date *24 May 2011*

THE TINTOMETER LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2010

	Notes	2010 £	2009 £
TURNOVER	2	5,689,312	5,180,680
Changes in stocks of finished goods and work in progress, other operating income, raw materials and consumables and other external charges		(2,242,657)	(2,078,870)
		<u>3,446,655</u>	<u>3,101,810</u>
Staff costs	3	1,727,033	1,655,339
Depreciation		108,986	119,200
Other operating charges		<u>658,342</u>	<u>598,973</u>
		<u>2,494,361</u>	<u>2,373,512</u>
OPERATING PROFIT	4	952,294	728,298
Interest receivable and similar income		<u>15</u>	<u>35</u>
		952,309	728,333
Interest payable and similar charges	5	2,527	2,433
Other finance costs	19	<u>60,000</u>	<u>77,000</u>
		<u>62,527</u>	<u>79,433</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		889,782	648,900
Tax on profit on ordinary activities	6	<u>233,856</u>	<u>183,506</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>655,926</u></u>	<u><u>465,394</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these abbreviated accounts

THE TINTOMETER LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 December 2010**

	2010 £	2009 £
PROFIT FOR THE FINANCIAL YEAR	655,926	465,394
Pension scheme actuarial (loss)/gain (net of tax)	<u>(585,340)</u>	<u>37,440</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>70,586</u>	<u>502,834</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
for the year ended 31 December 2010**

	2010 £	2009 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	889,782	648,900
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	<u>2,572</u>	<u>2,571</u>
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>892,354</u>	<u>651,471</u>
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION	<u>658,498</u>	<u>467,965</u>

The notes form part of these abbreviated accounts

THE TINTOMETER LIMITED
ABBREVIATED BALANCE SHEET
31 December 2010

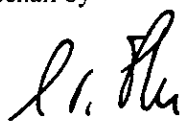
		2010	2009
	Notes	£	£
FIXED ASSETS			
Intangible assets	7	684,134	-
Tangible assets	8	1,789,150	1,784,292
Investments	9	<u>57,347</u>	<u>50,264</u>
		2,530,631	1,834,556
CURRENT ASSETS			
Stocks	10	796,410	812,330
Debtors	11	726,980	787,301
Cash at bank and in hand		<u>812,786</u>	<u>389,674</u>
		2,336,176	1,989,305
CREDITORS			
Amounts falling due within one year	12	<u>1,064,798</u>	<u>615,003</u>
NET CURRENT ASSETS		<u>1,271,378</u>	<u>1,374,302</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,802,009	3,208,858
CREDITORS			
Amounts falling due after more than one year	13	(16,393)	(15,338)
PROVISIONS FOR LIABILITIES	16	(54,910)	(74,240)
PENSION LIABILITY	19	<u>(1,256,520)</u>	<u>(715,680)</u>
NET ASSETS		<u><u>2,474,186</u></u>	<u><u>2,403,600</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	6,250	6,250
Share premium account	18	297,850	297,850
Revaluation reserve	18	74,572	77,144
Capital redemption reserve	18	5,750	5,750
Profit and loss account	18	<u>2,089,764</u>	<u>2,016,606</u>
SHAREHOLDERS' FUNDS	23	<u><u>2,474,186</u></u>	<u><u>2,403,600</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on its behalf by

24th May 2011

and were signed on



C P Voss - Director

The Tintometer Limited
Registered number 45024

The notes form part of these abbreviated accounts

THE TINTOMETER LIMITED

**CASH FLOW STATEMENT
for the year ended 31 December 2010**

	Notes	2010 £	£	2009 £	£
Net cash inflow from operating activities	1		1,340,750		355,715
Returns on investments and servicing of finance	2		(2,512)		(2,398)
Taxation			(118,871)		(14,143)
Capital expenditure and financial investment	2		<u>(828,305)</u>		<u>(3,767)</u>
			391,062		335,407
Financing	2		<u>32,050</u>		<u>(13,146)</u>
Increase in cash in the period			<u>423,112</u>		<u>322,261</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase in cash in the period		423,112		322,261	
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(32,050)</u>		<u>13,146</u>	
Change in net funds resulting from cash flows			391,062		335,407
New hire purchase contracts			<u>23,244</u>		<u>-</u>
Movement in net funds in the period			414,306		335,407
Net funds at 1 January			<u>361,190</u>		<u>25,783</u>
Net funds at 31 December			<u>775,496</u>		<u>361,190</u>

The notes form part of these abbreviated accounts

THE TINTOMETER LIMITED

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 December 2010**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 £	2009 £
Operating profit	952,294	728,298
Depreciation charges	109,486	121,224
Profit on disposal of fixed assets	(500)	(2,024)
Decrease/(Increase) in stocks	15,920	(140,613)
Decrease/(Increase) in debtors	60,321	(124,229)
Increase in creditors	350,229	27,059
Difference between pension charge and cash contributions	<u>(147,000)</u>	<u>(254,000)</u>
Net cash inflow from operating activities	<u>1,340,750</u>	<u>355,715</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2010 £	2009 £
Returns on investments and servicing of finance		
Interest received	15	35
Interest paid	-	(2)
Interest element of hire purchase payments	<u>(2,527)</u>	<u>(2,431)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(2,512)</u>	<u>(2,398)</u>
 Capital expenditure and financial investment		
Purchase of intangible fixed assets	(698,690)	-
Purchase of tangible fixed assets	(135,533)	(13,768)
Purchase of fixed asset investments	(7,083)	-
Sale of tangible fixed assets	<u>13,001</u>	<u>10,001</u>
Net cash outflow for capital expenditure and financial investment	<u>(828,305)</u>	<u>(3,767)</u>
 Financing		
Capital repayments in year	<u>32,050</u>	<u>(13,146)</u>
Net cash inflow/(outflow) from financing	<u>32,050</u>	<u>(13,146)</u>

The notes form part of these abbreviated accounts

THE TINTOMETER LIMITED

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 December 2010**

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 1 10 £	Cash flow £	Other non-cash changes £	At 31 12 10 £
Net cash				
Cash at bank and in hand	<u>389,674</u>	<u>423,112</u>		<u>812,786</u>
	<u>389,674</u>	<u>423,112</u>		<u>812,786</u>
Debt				
Hire purchase	<u>(28,484)</u>	<u>(32,050)</u>	<u>23,244</u>	<u>(37,290)</u>
	<u>(28,484)</u>	<u>(32,050)</u>	<u>23,244</u>	<u>(37,290)</u>
Total	<u>361,190</u>	<u>391,062</u>	<u>23,244</u>	<u>775,496</u>

The notes form part of these abbreviated accounts

THE TINTOMETER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 December 2010

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

Consolidation

The company has not prepared consolidated financial statements as the parent of a group as its three dormant subsidiaries are considered not material for the purpose of giving a true and fair view under Section 405 of the Companies Act 2006. The financial statements therefore contain information about The Tintometer Limited as an individual company

Turnover

Turnover represents income receivable from the production of the Lovibond® Colour Scale and the manufacture and sale of instruments and ancillary items related to colour measurement and water analysis, less returns, discounts and allowances, excluding value added tax

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of four years

Trade marks and patents

Expenditure on trade marks and patents is capitalised as an intangible asset and amortised over six years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Freehold land	- not provided
Freehold buildings	- 2% on cost or valuation
Improvements to leasehold property	- in equal instalments over the period of the lease
Plant and machinery	- 30% on reducing balance and 25% on cost
Motor vehicles	- 30% on reducing balance

Up to and including the year ended 30 November 1999 it was the company's policy to revalue freehold properties. In the year ended 30 November 2000 the company adopted the transitional provisions of Financial Reporting Standard 'Tangible Fixed Assets'. Whilst previous valuations have been retained, they have not been updated. From the year ended 30 November 2000 it has been the company's policy not to revalue fixed assets. The last valuation was in 1991

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads

Deferred tax

Deferred tax is provided on all reversible timing differences that arise when comparing the accounting profit with the profits that are chargeable to taxation. Deferred tax is not provided on any permanent differences that may arise. At the balance sheet date, the required provision for deferred tax is compared with the provision at the beginning of the period and any difference is debited or credited to the profit and loss account. Deferred tax assets are only recognised when there is a reasonable certainty that they will be recoverable in the future

Research and development

Expenditure on research and development is written off in the year in which it is incurred

THE TINTOMETER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 December 2010

1 ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined benefit pension scheme. The pension scheme assets are measured using market values. The pension liabilities are measured using attained age method and discounted at the rate of return on a high quality bond of equivalent term to scheme liabilities. Any increase in the present value of liabilities within the company's defined benefit pension scheme expected to arise from employee service in the year is charged to operating profit as current service costs and the expected return on pension scheme assets and interest on pension scheme liabilities are included within finance income and finance costs. Actuarial gains and losses are recognised in full in the period in which they occur and are shown in the statement of recognised gains and losses. Pension scheme surpluses, to the extent that they are considered recoverable, or deficits are recognised in full and presented on the face of the balance sheet net of related deferred tax.

The company also operates a defined contribution group personal pension scheme. Contributions are charged to the profit and loss account as incurred.

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

3 STAFF COSTS

	2010	2009
	£	£
Wages and salaries	1,487,080	1,430,331
Social security costs	130,692	121,698
Other pension costs (see note 19)	109,261	103,310
	<u>1,727,033</u>	<u>1,655,339</u>

The average monthly number of employees during the year was as follows

Production and service	41	42
Sales and distribution	10	9
Administration	<u>13</u>	<u>14</u>
	<u>64</u>	<u>65</u>

THE TINTOMETER LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2010**

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2010	2009
	£	£
Depreciation - owned assets	83,607	108,584
Depreciation - assets on hire purchase contracts	11,323	12,640
Profit on disposal of fixed assets	(500)	(2,024)
Goodwill amortisation	14,556	-
Auditors' remuneration	16,300	14,200
Foreign exchange differences	3,321	8,865
Operating lease rentals - other	13,724	13,724
Hire of plant and machinery	14,823	21,039
Research and development	<u>77,009</u>	<u>76,294</u>
 Directors' remuneration	 109,328	 106,191
Directors' pension contributions to money purchase schemes	<u>4,059</u>	<u>3,901</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>1</u>	<u>1</u>
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5 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Bank interest	-	2
Hire purchase interest	<u>2,527</u>	<u>2,431</u>
	<u>2,527</u>	<u>2,433</u>

6 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2010	2009
	£	£
Current tax		
UK Corporation tax	221,163	129,348
Prior year overprovision	<u>(10,477)</u>	<u>(4,902)</u>
Total current tax	<u>210,686</u>	<u>124,446</u>
 Deferred tax		
Deferred tax recognised directly in profit and loss account		
Relating to		
Net pension scheme costs	42,500	49,560
Accelerated capital allowances	(19,330)	1,250
Retirement benefit obligations	<u>-</u>	<u>8,250</u>
Total deferred tax	<u>23,170</u>	<u>59,060</u>
 Tax on profit on ordinary activities	<u>233,856</u>	<u>183,506</u>

THE TINTOMETER LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2010**

6 TAXATION - continued

	2010 £	2009 £
Deferred tax recognised directly in statement of recognised gains and losses		
Relating to		
Pension scheme actuarial movements	<u>(205,660)</u>	<u>14,560</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2010 £	2009 £
Profit on ordinary activities before tax	<u>889,782</u>	<u>648,900</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	249,139	181,692
Effects of		
Expenses not deductible for tax purposes	28,011	32,113
Expenses deductible for tax purposes	(50,866)	(91,340)
Depreciation charged in excess of capital allowances	(5,121)	7,511
Prior year overprovision	(10,477)	(4,902)
Marginal rates of UK Corporation tax	<u>-</u>	<u>(628)</u>
Current tax charge	<u>210,686</u>	<u>124,446</u>

7 INTANGIBLE FIXED ASSETS

	Goodwill £	Trade marks and patents £	Totals £
COST			
At 1 January 2010	-	28,219	28,219
Additions	<u>698,690</u>	<u>-</u>	<u>698,690</u>
At 31 December 2010	<u>698,690</u>	<u>28,219</u>	<u>726,909</u>
AMORTISATION			
At 1 January 2010	-	28,219	28,219
Amortisation for year	<u>14,556</u>	<u>-</u>	<u>14,556</u>
At 31 December 2010	<u>14,556</u>	<u>28,219</u>	<u>42,775</u>
NET BOOK VALUE			
At 31 December 2010	<u>684,134</u>	<u>-</u>	<u>684,134</u>
At 31 December 2009	<u>-</u>	<u>-</u>	<u>-</u>

THE TINTOMETER LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2010**

8 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Improvements to leasehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 January 2010	1,776,201	22,992	741,824	100,648	2,641,665
Additions	-	-	31,953	80,336	112,289
Disposals	-	-	(5,373)	(67,631)	(73,004)
At 31 December 2010	<u>1,776,201</u>	<u>22,992</u>	<u>768,404</u>	<u>113,353</u>	<u>2,680,950</u>
DEPRECIATION					
At 1 January 2010	175,241	4,599	603,815	73,718	857,373
Charge for year	31,230	1,533	48,655	13,512	94,930
Eliminated on disposal	-	-	(5,311)	(55,192)	(60,503)
At 31 December 2010	<u>206,471</u>	<u>6,132</u>	<u>647,159</u>	<u>32,038</u>	<u>891,800</u>
NET BOOK VALUE					
At 31 December 2010	<u>1,569,730</u>	<u>16,860</u>	<u>121,245</u>	<u>81,315</u>	<u>1,789,150</u>
At 31 December 2009	<u>1,600,960</u>	<u>18,393</u>	<u>138,009</u>	<u>26,930</u>	<u>1,784,292</u>

Included in cost or valuation of land and buildings is freehold land of £214,717 (2009 - £214,717) which is not depreciated

Cost or valuation at 31 December 2010 is represented by

	Freehold land and buildings £	Improvements to leasehold property £	Plant and machinery £	Motor vehicles £	Totals £
Valuation in 1991	119,641	-	-	-	119,641
Cost	<u>1,656,560</u>	<u>22,992</u>	<u>768,404</u>	<u>113,353</u>	<u>2,561,309</u>
	<u>1,776,201</u>	<u>22,992</u>	<u>768,404</u>	<u>113,353</u>	<u>2,680,950</u>

If freehold land and buildings had not been revalued they would have been included at the following historical cost

	2010 £	2009 £
Cost	<u>1,656,560</u>	<u>1,656,560</u>
Aggregate depreciation	<u>161,402</u>	<u>132,744</u>

THE TINTOMETER LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2010**

8 TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Plant and machinery £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 January 2010	58,428	-	58,428
Additions	<u>-</u>	<u>29,000</u>	<u>29,000</u>
At 31 December 2010	<u>58,428</u>	<u>29,000</u>	<u>87,428</u>
DEPRECIATION			
At 1 January 2010	28,934	-	28,934
Charge for year	<u>8,849</u>	<u>2,474</u>	<u>11,323</u>
At 31 December 2010	<u>37,783</u>	<u>2,474</u>	<u>40,257</u>
NET BOOK VALUE			
At 31 December 2010	<u>20,645</u>	<u>26,526</u>	<u>47,171</u>
At 31 December 2009	<u>29,494</u>	<u>-</u>	<u>29,494</u>

9 FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 January 2010	4	50,260	50,264
Additions	<u>7,083</u>	<u>-</u>	<u>7,083</u>
At 31 December 2010	<u>7,087</u>	<u>50,260</u>	<u>57,347</u>
NET BOOK VALUE			
At 31 December 2010	<u>7,087</u>	<u>50,260</u>	<u>57,347</u>
At 31 December 2009	<u>4</u>	<u>50,260</u>	<u>50,264</u>

The company's investments at the balance sheet date in the share capital of companies include the following

Subsidiaries

Lovibond Tintometer Limited
Nature of business Dormant

	% holding 100 00	2010 £	2009 £
Class of shares			
Ordinary			
Aggregate capital and reserves		<u>2</u>	<u>2</u>

THE TINTOMETER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 December 2010

9 FIXED ASSET INVESTMENTS - continued

Lovibond Limited

Nature of business Dormant

	% holding	2010	2009
Class of shares	100 00	£	£
Ordinary		<u>2</u>	<u>2</u>
Aggregate capital and reserves			

Tintometer India Private Limited

Country of incorporation India

Nature of business Dormant

	% holding
Class of shares	99 98
Equity shares	

In September 2010, the company subscribed for 99.98% of the issued share capital of a newly formed company -Tintometer India Private Limited. At the balance sheet date, trading activities had not commenced.

Unlisted investments

App-Chem Limited

Nature of business Manufacture of water treatment analysis test and reagents

	% holding	2010	2009
Class of shares		£	£
Ordinary	47 80	28 2 10	28 2 09
Aggregate capital and reserves		120,298	40,936
Profit/(Loss) for the year		<u>79,362</u>	<u>(5,505)</u>

This investment has been accounted for as a trade investment as the directors consider that they do not have a participating interest.

In the opinion of the directors there has been no diminution in the value of these investments below cost.

10 STOCKS

	2010	2009
	£	£
Raw materials and consumables	261,734	232,721
Work in progress	39,365	51,710
Finished goods and goods for resale	484,655	519,838
Other stocks	<u>10,656</u>	<u>8,061</u>
	<u>796,410</u>	<u>812,330</u>

THE TINTOMETER LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2010**

11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Trade debtors	509,247	542,532
Due from group undertakings	74,025	130,522
Other debtors	5,093	5,097
Value added tax	24,098	13,188
Prepayments	<u>114,517</u>	<u>95,962</u>
	<u>726,980</u>	<u>787,301</u>

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Hire purchase contracts (see note 14)	20,897	13,146
Trade creditors	358,711	231,850
Due to group undertakings	217,473	170,006
Corporation tax	221,163	129,348
Taxation and social security	53,548	45,744
Other creditors	165,000	-
Accrued expenses	<u>28,006</u>	<u>24,909</u>
	<u>1,064,798</u>	<u>615,003</u>

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2010	2009
	£	£
Hire purchase contracts (see note 14)	<u>16,393</u>	<u>15,338</u>

14 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	2010	2009
	£	£
Gross obligations repayable		
Within one year	23,777	15,387
Between one and five years	<u>17,946</u>	<u>17,952</u>
	<u>41,723</u>	<u>33,339</u>
Finance charges repayable		
Within one year	2,880	2,241
Between one and five years	<u>1,553</u>	<u>2,614</u>
	<u>4,433</u>	<u>4,855</u>
Net obligations repayable		
Within one year	20,897	13,146
Between one and five years	<u>16,393</u>	<u>15,338</u>
	<u>37,290</u>	<u>28,484</u>

THE TINTOMETER LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2010**

14 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following operating lease payments are committed to be paid within one year

	Land and buildings		Other operating leases	
	2010 £	2009 £	2010 £	2009 £
Expiring				
Within one year	-	-	2,654	534
Between one and five years	-	-	12,957	18,127
In more than five years	<u>13,724</u>	<u>13,724</u>	-	-
	<u><u>13,724</u></u>	<u><u>13,724</u></u>	<u><u>15,611</u></u>	<u><u>18,661</u></u>

15 SECURED DEBTS

The following secured debts are included within creditors

	2010 £	2009 £
Hire purchase contracts	<u>37,290</u>	<u>28,484</u>

16 PROVISIONS FOR LIABILITIES

	2010 £	2009 £
Deferred tax		
Accelerated capital allowances	<u>54,910</u>	<u>74,240</u>
		Deferred tax £
Balance at 1 January 2010		74,240
Utilised in year		<u>(19,330)</u>
Balance at 31 December 2010		<u><u>54,910</u></u>

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			2010	2009
Number	Class	Nominal value	£	£
12,500	Ordinary	50p	<u>6,250</u>	<u>6,250</u>

THE TINTOMETER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2010

18 RESERVES

	Profit and loss account £	Share premium account £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 January 2010	2,016,606	297,850	77,144	5,750	2,397,350
Profit for the year	655,926				655,926
Transfer from revaluation reserve	2,572	-	(2,572)	-	-
Actuarial loss (net of tax)	<u>(585,340)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(585,340)</u>
At 31 December 2010	<u>2,089,764</u>	<u>297,850</u>	<u>74,572</u>	<u>5,750</u>	<u>2,467,936</u>
Profit and loss account excluding pension liability	3,346,284				
Pension deficit	<u>(1,256,520)</u>				
Profit and loss account	<u>2,089,764</u>				

19 EMPLOYEE BENEFIT OBLIGATIONS

The company operates two pension schemes for its employees, one funded defined benefit pension scheme, which is closed to new employees, and one defined contribution pension scheme, which new employees may join

Defined benefit scheme

The company operates a defined benefit scheme in the UK. A full actuarial valuation was carried out as at 1 August 2007 and updated to 31 December 2007, 31 December 2008, 31 December 2009 and 31 December 2010. All valuations were carried out by a qualified independent actuary.

The amounts recognised in the balance sheet are as follows

	Defined benefit pension plans	
	2010 £	2009 £
Present value of funded obligations	(7,936,000)	(6,721,000)
Fair value of plan assets	<u>6,238,000</u>	<u>5,727,000</u>
	(1,698,000)	(994,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	(1,698,000)	(994,000)
Related deferred tax asset	<u>441,480</u>	<u>278,320</u>
Net pension liability	<u>(1,256,520)</u>	<u>(715,680)</u>

The pension scheme assets did not include any ordinary shares issued by the company nor property occupied by the company.

THE TINTOMETER LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2010**

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in profit or loss are as follows

	Defined benefit pension plans	
	2010	2009
	£	£
Current service cost	29,000	29,000
Interest cost on pension scheme liabilities	407,000	395,000
Expected return on pension scheme assets	(347,000)	(318,000)
Past service cost	-	-
	<u>89,000</u>	<u>106,000</u>
 Actual return on plan assets	 <u>636,000</u>	 <u>372,000</u>

Changes in the present value of the defined benefit obligation are as follows

	Defined benefit pension plans	
	2010	2009
	£	£
Opening defined benefit obligation	6,721,000	6,584,000
Current service cost	29,000	29,000
Contributions by scheme participants	17,000	23,000
Interest cost	407,000	395,000
Actuarial losses/(gains)	1,080,000	2,000
Benefits paid	<u>(318,000)</u>	<u>(312,000)</u>
	<u>7,936,000</u>	<u>6,721,000</u>

Changes in the fair value of scheme assets are as follows

	Defined benefit pension plans	
	2010	2009
	£	£
Opening fair value of scheme assets	5,727,000	5,361,000
Contributions by employer	176,000	283,000
Contributions by scheme participants	17,000	23,000
Expected return	347,000	318,000
Actuarial gains/(losses)	289,000	54,000
Benefits paid	<u>(318,000)</u>	<u>(312,000)</u>
	<u>6,238,000</u>	<u>5,727,000</u>

THE TINTOMETER LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 31 December 2010**

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the statement of recognised gains and losses are as follows

	Defined benefit pension plans	
	2010	2009
	£	£
Actuarial gain/(loss) recognised in STRGL before adjustments for taxation	<u>(791,000)</u>	<u>52,000</u>
Cumulative amount of actuarial gains/(losses) before adjustments for taxation	<u>(2,154,000)</u>	<u>(1,363,000)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows

	Defined benefit pension plans	
	2010	2009
Equities	47%	45%
Fixed interest	52%	54%
Cash	<u>1%</u>	<u>1%</u>
	<u>100%</u>	<u>100%</u>

The assets of the scheme consist mainly of a deferred annuity contract and a long dated gilt fund The asset figures exclude assets relating to members' AVCs

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice

	2010	2009
Discount rate	5.60%	6.00%
Expected return on scheme assets	6.08%	5.93%
Future salary increases	-	-
Future pension increases	3.40%	3.00%
Post retirement mortality	PNXA00 MC YoB	PMA/PFA92 (c=2020 MC+2)
Life expectancy for 65 year old male	21.9 years	20.2 years
Life expectancy for 65 year old female	24.2 years	23.0 years

Amounts for the current and previous four periods are as follows

	Year ended 31 12 10	Year ended 31 12 09	Year ended 31 12 08	Year ended 31 12 07	Year ended 31 12 06
Defined benefit pension plans					
Defined benefit obligation	(7,936,000)	(6,721,000)	(6,584,000)	(7,326,000)	(7,135,000)
Fair value of scheme assets	6,238,000	5,727,000	5,361,000	5,720,000	5,325,000
Deficit	(1,698,000)	(994,000)	(1,223,000)	(1,606,000)	(1,810,000)
Experience adjustments on scheme liabilities	(1,080,000)	(2,000)	427,000	473,000	64,000
Experience adjustments on scheme assets	289,000	54,000	(719,000)	(86,000)	19,000

THE TINTOMETER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 December 2010

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

The company expects to contribute £170,300 to its defined benefit pension scheme in the next twelve months

The most recent full actuarial valuation at 1 August 2007 showed that the market value of the scheme's assets was £5,327,000 and that the actuarial value of those assets represented 83.0% of the benefits that had accrued to the members using the attained age method, after allowing for expected future increases in earnings. The previous actuarial valuation at 1 August 2004 showed that the market value of the scheme's assets was £4,045,000 and that the actuarial value of those assets represented 74.3% of the benefits that had accrued to the members, after allowing for expected future increases in earnings.

As a result of the most recent triennial valuation the company agreed to a revised schedule of contributions and a recovery plan with the aim to eliminate the funding shortfall by 31 December 2013. The next triennial valuation is due as at 1 August 2010. The company considers that the contribution rates agreed with the trustees are sufficient to eliminate the current deficit over the agreed period.

During the year the company contributed at the rate of 6.3% per annum of pensionable salaries plus fixed instalments of £146,000 per annum based on the effective schedule of contributions and recovery plan in place. The members continued to contribute at the rates of 5% and 6% in accordance with the scheme's rules.

During the year the company paid contributions of £171,355 (2009 - £283,098) which included total lump sum contributions of £Nil (2009 - £109,435) and the fixed instalments of £146,000 (2009 - £146,000) per annum. There were no outstanding or prepaid contributions at the balance sheet date for the current or previous year.

Defined contribution scheme

During the year the company paid contributions of £43,527 (2009 - £38,819) in respect of its defined contribution pension scheme. At the balance sheet date there were no contributions outstanding and no prepaid contributions.

Staff costs analysis

The other pension costs in note 3 can be analysed as follows:

	2010 £	2009 £
Current service costs	29,000	29,000
Past service costs	-	-
Defined contribution pension scheme payments	43,527	38,819
Other pension costs	<u>36,734</u>	<u>35,491</u>
	<u>109,261</u>	<u>103,310</u>

20 ULTIMATE PARENT COMPANY

The ultimate parent company is Tintometer GmbH, a company registered in Germany.

THE TINTOMETER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 December 2010

21 CAPITAL COMMITMENTS

	2010 £	2009 £
Contracted but not provided for in the financial statements	<u>121,470</u>	<u>-</u>

22 RELATED PARTY DISCLOSURES

Controlling interest

During the current and previous years the company was a wholly owned subsidiary of Tintometer GmbH, a company under the control of C P Voss

Transactions

C P Voss has a controlling interest in and is a director of Tintometer GmbH. During the year, The Tintometer Limited sold to, and purchased from, Tintometer GmbH goods to the value of £286,507 and £1,101,627 respectively (2009 - £240,547 and £957,958). At the year end, The Tintometer Limited owed Tintometer GmbH £210,385 and was owed £31,723 (2009 - £170,002 and £35,088).

Also during the year, The Tintometer Limited sold to, and purchased from Orbeco-Hellige Inc (a subsidiary of Tintometer GmbH) goods to the value of £259,320 and £370 respectively (2009 - £145,485 and £2,874). At the year end, The Tintometer Limited was owed £42,302 (2009 - £95,434).

23 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Profit for the financial year	655,926	465,394
Other recognised gains and losses relating to the year (net)	<u>(585,340)</u>	<u>37,440</u>
Net addition to shareholders' funds	70,586	502,834
Opening shareholders' funds	<u>2,403,600</u>	<u>1,900,766</u>
Closing shareholders' funds	<u>2,474,186</u>	<u>2,403,600</u>